DECISION RECORD

ROSSI MINE EXPANSION ENVIRONMENTAL ASSESSMENT

DOI-BLM-NV-N020-2010-0008-EA

Decision

It is my decision to approve parts of the Proposed Action and the North Dump Alternative, South Queen Haul Road and Ore Stockpile Alternative, and the Modified East Queen Dump Alternative as they have been described and analyzed in the environmental assessment (DOI-BLM-NV-N020-2010-0008-EA). The Proposed Action for the Sage Hen Area is approved, as well as, the North Dump Alternative. The North Dump Alternative will allow Halliburton a place to store waste rock material until such time as the data recovery for eligible cultural site 26EK04873 is complete. The South Queen Haul Road and Ore Stockpile Alternative will replace a portion of the proposed haul road at the Queen Lode Deposit and the new ore stockpile will be located adjacent to the new haul road. The Modified East Queen Dump Alternative will replace the proposed East Queen Dump.

A Finding of No Significant Impact (FONSI) was completed on October 21, 2010.

Monitoring

The Rossi Mine Plan of Operations will be monitored in accordance with the applicable policies for the 43 CFR 3809 Regulations. The current requirement is two inspections per year. No additional monitoring is considered necessary as there are no unusual or sensitive issues. Monitoring for the cultural resources sites designated as eligible to the National Register of Historic Places will be developed and written into the Programmatic Agreement.

Mitigation

The impacts to cultural resources under the Proposed Action and alternatives could result in the alteration, damage, and destruction of various identified and unidentified historic and prehistoric cultural resource sites. Since site avoidance is not protecting the cultural resources from damage, the remaining ten historic properties (26EK02305, 26EK7812, 26EK10130, 26EK10135, 26EK10136, 26EK10137, 26EK10138, 26EK10139, 26EK11048, and 26EK12228) besides the three mentioned in Section 4.2 of the environmental assessment shall undergo similar treatment over the next few years.

Treatment efforts will be phased over the coming years to be determined by the Programmatic Agreement (PA). The remaining sites must be avoided and remain free from additional damage until they are treated. Monitoring may be required for the additional sites until they are treated. The PA shall be developed between the BLM, SHPO, and Halliburton to ensure site protection and guarantee the eventual treatment of the remaining sites. Compliance with Section 106 of the National Historic Preservation Act (NHPA) shall not be completed until all of the remaining historic properties undergo treatment. Once treatment is completed the mine shall have no further obligations under the NHPA so long as an emergency discovery of human remains or additional cultural resources does not occur.

Without active resource management, non-native invasive species and noxious weeds could spread throughout the disturbed areas within the project area, and even to outside disturbed areas under the Proposed Action and Alternatives. To mitigate this effect, Halliburton employees and contractors will be educated to identify noxious weeds and non-native invasive species that could occur in the existing and proposed disturbance areas. Halliburton will take appropriate measures such as grubbing and/or spraying with approved chemicals to prevent the spread of noxious weeds and non-native invasive species.

To prevent the spread of non-native invasive species and noxious weeds, any vehicle or equipment coming from or working in known non-native invasive or noxious weed infested areas will be washed prior to working on site or leaving the project area. One area shall be designated at the Rossi Mine site to wash vehicles and equipment. The location should be on an unvegetated disturbed area with coarse material and that is not located near a water source. Utilizing one designated location to wash vehicles and equipment allows for isolation of the seed and a designated area to monitor and treat non-native invasive species and noxious weeds.

Developments under the Proposed Action and alternatives could result in the destruction and/or disturbance of some nesting birds and young, including migratory birds. To mitigate this effect, land clearing and surface disturbance will occur outside the avian breeding season to prevent the destruction of active bird nests or of young birds during the avian breeding season for sagebrush-grassland habitats (March 15 to July 31). If it becomes necessary to clear land during the breeding season, a survey for active nests will be conducted by a qualified biologist within areas to be cleared. If surveys occur between March 15 and May 1 a 14-day window for disturbance is imposed. Disturbance must commence within 14 days of the completion of the survey to be within compliance. If disturbance does not occur within 14 days a new survey will be required. If an initial survey takes place after May 1 a single survey can suffice and the 14 day restriction will not be imposed. Disturbance could commence at any time after the completion of the survey. If active nests are located, a protective buffer zone will be established. The size of the buffer zone and length of time it shall remain in place will be based on the species identified and will be approved by BLM biologists.

Rationale

As described in the Rossi Mine Expansion Environmental Assessment, the proposed action and alternatives are consistent with the Elko Resource Management Plan as well as the Elko County Plan and federal, state, and local laws and regulations. The proposed action and alternatives will

not result in undue or unnecessary degradation of the public lands. Approval of the proposed action and alternatives, as stated above, will allow Halliburton Energy Services to continue to mine at the Rossi Mine and conduct exploration activities as provided for by the Mining Law of 1872, the Federal Land Policy and Management Act of 1976, and other laws and policies. This decision recognizes that there will be minimal impacts to resource until such time as the site has been successfully reclaimed. Implementation of the mitigation measures stated above will address impacts to cultural resources and treatment of noxious weeds. Selection of the South Queen Haul Road and Ore Stockpile Alternative and the Modified East Queen Dump Alternative will address impacts to the mule deer migration in the Queen Lode Deposit area. Reconfiguration of the Queen waste rock dump facility (Modified East Queen Dump Alternative) partially protects the existing mule deer migration corridor allowing mule deer continued access between the summer and winter ranges.

Public Involvement

A press release informing the public of the receipt of the proposed action and soliciting comments was issued on October 14, 2009 for the Rossi Mine Expansion. No comments were received. Letters informing the Native American Tribes of the proposed action were mailed on October 1, 2009 and January 14, 2010. After multiple contacts, no issues or concerns were brought to the BLM's attention. The environmental assessment was posted on the BLM Elko District Office's NEPA website for review by the public for 15 days. No response from the public was received. A news release will be issued informing the public of the completion and availability of the environmental assessment, the Finding of No Significant Impact, and Decision Record. The environmental assessment will be posted on the BLM Elko District webpage.

Appeals

This decision may be appealed directly to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR § Part 4. If an appeal is taken, your notice of appeal must be filed in this office (Elko District Office, 3900 E. Idaho St, Elko, NV 89801) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulations 43 CFR § 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay also must be submitted to each party named in the decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR § 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or by other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

| 1. | The relative harm to the parties if the stay is granted or denied, | |
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| 2. | The likelihood of the appellant's success on the merits, | |
| 3. | The likelihood of immediate and irreparable harm if the stay is not granted, and | |
| 4. | Whether the public interest favors granting the stay. | |
| | /S/ | 10-21-10 |
| David Overcast, Tuscarora Field Manager | | Date |